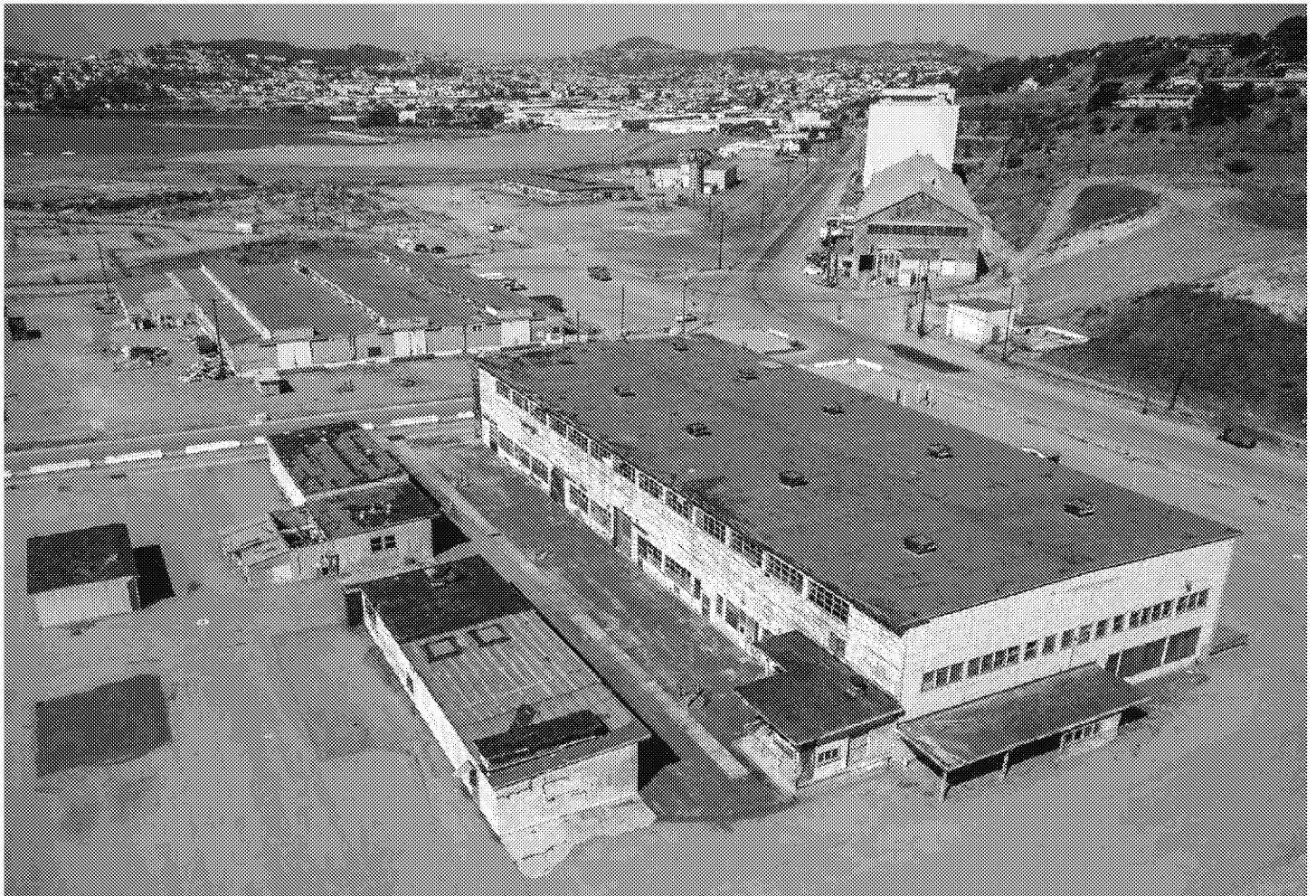


LOCAL // BAY AREA & STATE

US sues Tetra Tech over Hunters Point shipyard work, claiming widespread fraud

Jason Fagone and Cynthia Dizikes

Jan. 15, 2019 | Updated: Jan. 15, 2019 7:08 p.m.



● ● ● ● ●

Aerial photos of Hunters Point Naval Shipyard Building 401 in Parcel G in San Francisco.

Photo: Carlos Avila Gonzalez / The Chronicle 2018

0 ARTICLES
REMAINING

Top managers of the environmental engineering firm Tetra Tech directed their employees to commit widespread fraud in the cleanup of America's largest Superfund waste site, according to new legal complaints by the U.S. Department of Justice.

The allegations were filed Monday against Tetra Tech EC, a wholly owned subsidiary of parent company Tetra Tech Inc., the \$3 billion government contracting giant. The complaints contradict Tetra Tech's repeated claims that the company has done nothing wrong and that all problems with its cleanup work at San Francisco's mothballed naval shipyard were caused by a few rogue employees.

"Tetra Tech's fraud was initiated and directed by Tetra Tech's corporate managers," the government maintains in federal court documents.

Unlimited Digital Access for 99¢

Read more articles like this by subscribing to the San Francisco Chronicle

SUBSCRIBE

In response, company spokesman Sam Singer again said that any misconduct was isolated and that the company stands by its work.

"Tetra Tech EC will vigorously defend its record and is confident it will prevail following an impartial and transparent legal and scientific review of the facts," Singer said in a statement.

The government is asking for almost \$800 million in damages — an amount equal to about one-fourth of Tetra Tech's revenue last year.

To date, questions about the integrity of its work at Hunters Point have apparently not affected Tetra Tech's ability to win substantial state and federal contracts. The Chronicle revealed last week that the state of California just awarded Tetra Tech Inc. a record-breaking contract worth \$250 million, for Camp Fire, which

0 ARTICLES
REMAINING

The new legal complaints are part of three federal suits originally filed in 2013 and 2016 by whistle-blowers who worked on the cleanup of the former Hunters Point Naval Shipyard. Military radiation experiments during the Cold War left the shipyard's soil and buildings tainted with large quantities of radioactive substances. Some of these materials remain dangerous for tens of thousands of years and can cause cancer if inhaled or ingested in extraordinarily small amounts.

The Department of Justice announced its intention to join the whistle-blower lawsuits in October, a rare move signifying how seriously the government views the cases. Less than 25 percent of such claims result in such an "intervention," according to one report.

Since at least 2003, the Navy has paid Tetra Tech more than \$250 million to find and remove these radioactive materials. But the government now alleges that much of that work, from lab tests of soil samples to radiation scans of buildings, was fraudulently performed.

According to the Department of Justice, Tetra Tech fabricated radiation data and submitted more than 200 false reports that painted a bogus picture of the safety of much of the shipyard — including parcels of land directly adjacent to the developed hilltop area where 450 homes have been built and hundreds of people now live.

The company's motive, according to the filings, was to decrease its costs and make more money.

Until now, the Department of Justice had linked just two Tetra Tech employees to the fraud, announcing last year that former Hunters Point supervisors Justin Hubbard and Stephen Rolfe had swapped dirty soil with clean soil and lied about it. The two men pleaded guilty and were sentenced to prison as part of a separate criminal case.

In his plea agreement, however, Rolfe said that he was pressured by Tetra Tech's managers to "get clean dirt" because the company wasn't interested in "remediating the whole goddam site." The new filings focus attention on higher-level Tetra Tech officials, mentioning four by name.

One is Andrew Bolt, president of Tetra Tech EC since 2014 and a former senior vice president and company leader since 1994. Another is William Dougherty, the company's top official in charge of the Hunters Point cleanup. The Chronicle revealed last year that Dougherty was instrumental in placing a large yard full of tainted soil right next door to a busy police office located inside the shipyard, potentially exposing cops and civilians to dangerous amounts of radioactive dust.

0 ARTICLES
REMAINING

The other two Tetra Tech officials singled out in the complaints are Dennis McWade, construction manager at Hunters Point, and Rick Weingarz, who managed crews that performed radiation surveys.

Bolt did not immediately return requests for comment by email and voice mail. An email to Dougherty's attorney went unanswered. A person who answered a cell phone number connected to McWade said, "I'm sorry, I have no comment, he's not here," before hanging up. Weingarz couldn't immediately be reached.

In various public forums over the past year, Tetra Tech representatives have argued that the subsidiary handling radiological work at Hunters Point (Tetra Tech EC) and the parent company (Tetra Tech Inc.) are separate, and one is not necessarily responsible for the other.

However, in other contexts, company attorneys have said the opposite. In a 2017 filing against the federal government alleging breach of contract on a project to build facilities for the Customs and Border Protection agency in North Dakota, Tetra Tech argued that "routine business practices" of Tetra Tech Inc. and Tetra Tech EC were "taken on behalf and at the direction of the other in their roles as parent and wholly-owned subsidiary, and as business units of the same company." The judge agreed.

Asked whether the officials identified in the new complaints are still employed by Tetra Tech, Singer declined to comment, citing a company policy against discussing current or former employees.

David Anton, the attorney for seven whistle-blower plaintiffs, called the filings "massively significant."

"It is finally demonstrating that the Department of Justice is doing something to correct the fraud and environmental disaster at Hunters Point," Anton said. "This fraud was committed from the top down. It is not two renegade low-level supervisors. It was operated by top management."

Some concerns flagged by the whistle-blowers in their initial lawsuits are not being pursued by the government, including alleged misconduct by other contractors hired to clean up the shipyard as well as the former naval bases on Treasure Island and in Alameda.

Anton said the w
progress they "ar

ARTICLES
REMAINING

Jason Fagone and Cynthia Dizikes are San Francisco Chronicle staff writers. Email: jason.fagone@sfchronicle.com, cdizikes@sfchronicle.com Twitter: [@jfagone](https://twitter.com/jfagone), [@cdizikes](https://twitter.com/cdizikes)

©2019 Hearst

0 ARTICLES REMAINING	
-------------------------	--